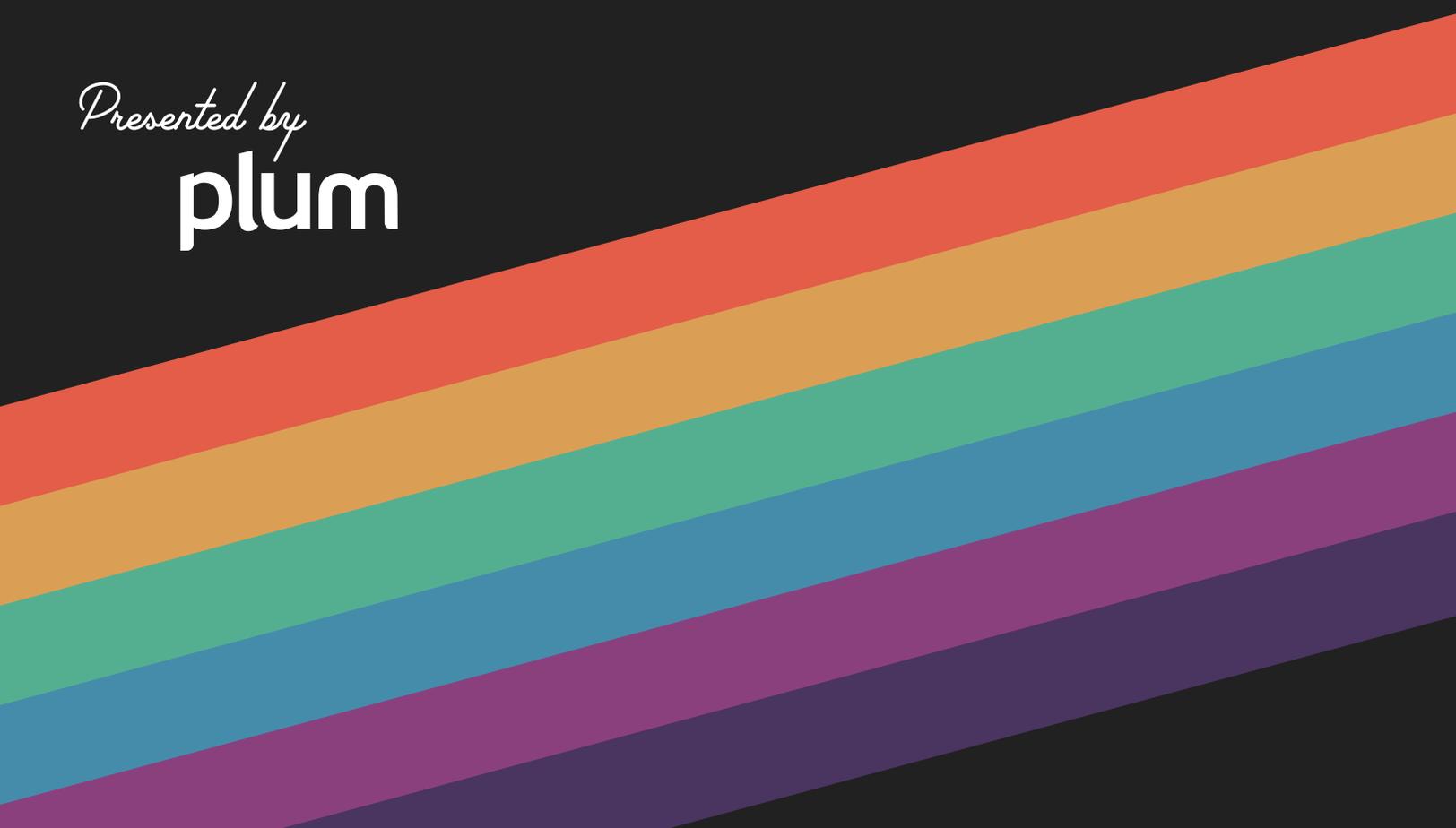


# **Buying a Talent Assessment That Supports Diversity & Inclusion in Your Organization**

The Essential Checklist

*Presented by*  
**plum**

A decorative graphic consisting of several parallel diagonal stripes in a rainbow color palette (red, orange, yellow, green, blue, purple) running from the bottom left towards the top right of the page.

# Introduction

## Are you **biased**?

You're likely no stranger to the statistics on bias in talent selection – one study found that resumes with Asian (Chinese, Indian, or Pakistani) names are 28% less likely to be shortlisted for an interview than resumes with Anglo-origin names.<sup>1</sup> Men are 70% more likely to be promoted to leadership roles than women.<sup>2</sup> Still, even when we know our world is full of biases, we can't help but believe that we're the exception to the rule.

But being human means being susceptible to bias.

It makes sense – our brains receive so much information at any given point in time that we can't possibly take it all in. We have to take some shortcuts to avoid being overloaded.

When we hire a new person or bring an existing employee from another team or department into our team, we're always trying to get a sense of the “X factor” that will make them a good fit for the role. Will this individual smoothly integrate into this team/organization? Will I *like* working with this person?

We all do it, and we can justify it pretty easily. After all, bringing on a new team member is a process that already takes up a lot of managerial time; isn't it just more efficient to hire someone who can hit the ground running from a team cohesion perspective? Isn't it just better for overall team morale to promote someone that everyone likes?

These questions usually fall under the umbrella phrase “culture fit” – selecting people whose personalities and backgrounds maintain the status quo. In other words, the term “culture fit” means “just like us.” And a “just like us” mindset perpetuates bias and stifles diversity.

**A “just like us” mindset perpetuates bias and stifles diversity.**

When it comes to making the absolute best talent decisions, whether it's hiring, promoting, learning & development, or identifying emerging leaders, bias does more harm than good. Our susceptibility to bias can unintentionally lead us to select people from certain groups over others, making us less likely to hire and deploy talent from diverse backgrounds.



Organizations like yours should be motivated to mitigate bias because diversity has been proven to give organizations a competitive edge. More diversity in gender, race, age, sexual orientation, religion, and ability will likely result in more diversity of worldviews, thoughts, experiences, and opinions – and a more diverse workforce can better address a diverse and global marketplace. McKinsey found that organizations in the top quartile for racial and gender diversity are 35 percent more likely to have financial returns above their respective industry medians.<sup>3</sup> Studies like these, and movements like #MeToo, have pushed diversity & inclusion (D&I) to the top of many organizations' priority lists.

The assumption might be that, by putting more intentionality back into talent selection, those processes might get slowed down significantly. The good news is, employment assessments can mitigate bias by providing recruiters and managers with a more objective selection method, while *reducing* recruiter time spent reading resumes! The bad news? Not every assessment is up for the challenge.

Many assessment providers don't have significant proof that they can reduce bias in your talent acquisition and talent management processes. In fact, some might even make matters worse. With so many assessment options on the market, it can be hard to sort the wheat from the chaff. That's why, whether you already have an assessment or you're shopping for one, we have you covered with this essential checklist. Check these 12 boxes to find a talent assessment that supports D&I in your organization.

# Part 1: The First Boxes to Check

First, we'll explore three general criteria to look for in an employment assessment that's D&I-friendly.

## □ Does the Assessment Measure Talents, Rather Than Skills and Knowledge?

There's no shortage of employee and applicant screening software, and they all measure different things. Some assess candidates' coding skills before they step into a software development job. Others require applicants to play a series of games that assess behavioral competencies.

If D&I is an organizational priority for you, reducing bias at the very beginning of the talent decision-making process (whether you're hiring an external candidate or moving an internal one) should be top-of-mind. That's why, when it comes to using an assessment at the beginning of your decision-making process at least, we recommend leveraging an assessment that quantifies talents, not skills and knowledge.

### **Buckingham and Coffman's Model of Skills, Knowledge, and Talents**

<b>Skills</b>	"How-to's of a role"
<b>Knowledge</b>	"What are you aware of"
<b>Talents</b>	"Recurring patterns of thought, feeling, and behavior"

*First, Break all the Rules by Marcus Buckingham & Curt Coffman*

Whereas skills and knowledge refer to a specific set of learned activities required for the job (e.g., typing, brain surgery), talents are recurring patterns of thought, feeling, and behavior. Talents include innovation, persuasion, teamwork, adaptation, communication, and so on. You'd find skills and knowledge on a resume, but talents are a little harder to determine at-a-glance.

That's why assessments that quantify talents are so useful when making talent mobility and development decisions. Not only can they provide you with a better candidate shortlist (talents are 4X more predictive of on-the-job success than skills and knowledge), but they can provide you a more diverse shortlist, too.

Think about it – a lot of bias that a manager might experience when looking at a resume can be traced back to the skills and knowledge sections. We are more likely to favor resumes that list an education at an Ivy League university over those listing a school we've never heard of before. Our eyes will be drawn to candidates who complete prestigious unpaid internships at high tech companies over people who had to wait tables through college to pay their bills.

Whereas these factors are more intrinsically linked to one's class, race, and gender, it's understanding an individual's unique talents (like adaptability, innovation, and communication) that offers a deeper insight into their intrinsic motivations and propensity for success within a given role.

We're not suggesting you rule out skills and knowledge completely; after all, you still need to ensure that when you're hiring a nurse, they're a registered nurse, or when you're hiring a developer, they at least have some coding knowledge! What we're suggesting is that you assess talents first, and then determine candidates' eligibility from that initial shortlist, perhaps by providing them with a hard skills assessment like HackerRank. The result will likely be a much more diverse shortlist of candidates.

## □ **Does the Assessment Account for Varying Types of Ability?**

In order to ensure that your talent assessment is as inclusive as possible, it's important to step into the shoes of your applicants and ask, "Could someone with a disability, who speaks an alternative first language, or who experiences some other barrier, complete this assessment and be considered equally?"

Here are a handful of the type of questions we suggest you ask yourself when shopping for a talent assessment:

- Could someone who is color-blind or who has another visual impairment complete image-based questions?
- Could someone who speaks English as a second language, or is not a high school graduate, understand and complete these questions? In other words, could this assessment be completed by someone with a ninth-grade reading level?
- Does answering these questions depend on prior knowledge or experience? For example, would someone who had taken certain math classes be at an advantage when answering the problem-solving questions?
- Is the assessment timed? Could this disadvantage groups who do not speak English as a first language or people who experience test anxiety?

Carefully considering how your talent assessment answers these questions is key to ensuring that certain groups aren't self-selecting themselves out of your external or internal hiring process because they feel like they are at a disadvantage.

## ❑ **Has the Assessment Provider Proven No Adverse Impact on Protected Groups?**

Before you purchase a talent assessment, always ask for the technical manual. This is a handy document that all assessment vendors should provide, as it outlines important research around the assessment's validity and whether there is evidence to show an adverse impact on protected groups of people. For instance, has the vendor proven through valid research that the assessment does not disadvantage women (versus other genders)?

### **Checklist:**

#### **The First Boxes to Check When Buying a D&I-Friendly Talent Assessment**

- ✓ Measures Talents, Not Skills and Knowledge
- ✓ Accounts for Varying Types of Ability
- ✓ Has Proven No Adverse Impact on Protected Groups



# Part 2: What to Look for in an Assessment That Supports Multiple Languages

As remote and gig work becomes more commonplace, talent assessments that support multiple languages can empower your organization to source your talent internationally or provide opportunities for your internal talent to move across global offices. Applicants and employees can still complete the talent assessment in their first language.

Even when you're not sourcing talent internationally, assessments that support many languages are becoming increasingly critical to providing a positive candidate experience for your locally sourced talent, too. After all, the immigrant population in the U.S. increased by 29.2 million people between 1980 and 2015, and now one in five U.S. residents speak a language other than English in their homes.<sup>4</sup> By providing a talent assessment where applicants can leverage the language they are most fluent in, your employer brand demonstrates its commitment to diversity and inclusion.

Now that you have a better understanding of the benefits that come with a multilingual assessment – whether your offices are located across the globe or not – let's dig into the 3 items you need to be on the lookout for when shopping for a talent assessment that supports multiple languages.

## □ **Is What's Being Measured Relevant Across Different Cultures?**

If you have international offices or if you're hiring a remote worker from a different country, it's important to select an assessment that not only supports multiple languages, but also provides consistent results across cultures. Assessments, when not validated properly, run the risk of producing different results in different cultural contexts.

Cognitive ability and the Five-Factor ("Big 5") personality framework are excellent examples of what to assess for.<sup>5</sup> Not only have they been scientifically validated to predict on-the-job success more accurately than a resume,<sup>6</sup> but they also have been found to be consistent across cultures. When you're looking for an assessment that ensures the best candidates won't be lost in translation, be on the lookout for assessments that quantify cognitive ability and Big 5 personality traits.

It's important to also put yourself in the shoes of someone who does not live in the same cultural context as you and consider what barriers that cultural divide may surface when an individual takes that assessment. When asked if an image of a cowboy is "most like you" or "least like you," would someone outside of North America wholly understand the decades of symbolism behind the picture? It's certainly possible, but the cultural context may not be as well-rounded, which could potentially skew results when compared to an American sample.

In any case, always ask assessment providers for a technical manual to understand how test results may differ across cultural and national borders.

## ❑ **How Was the Assessment Translated?**

It's no secret that Google Translate isn't perfect. We've all come across "Google Translate Fail" articles when we should've been doing something more productive.

When purchasing a talent assessment that supports multiple languages, ensure that human translators are the ones translating every string in the platform with care. Human translators can use their judgement to translate idioms and other culturally-specific phrases into sentences that make sense in the native language.

## ❑ **Does the Assessment Provide a Great Candidate Experience for Everyone?**

If candidate experience is important to your organization (and it should be, considering candidate experience has a distinct ROI),<sup>7</sup> then you'll want to ensure that your talent assessment provides a positive candidate experience for everyone. If you're wondering whether your talent assessment provides a positive candidate experience, ask yourself, "Does this assessment provide value for the people taking it?"

Too many assessments just leave candidates with a "thank you" or "we'll be in touch" landing page – a black hole. It's a frustrating experience for job seekers and employees, who have spent time and energy completing the assessment without receiving any value from the experience.

Part of providing value for your candidates is ensuring that your talent assessment is automatically translated to the individual's language of choice based on their browser settings. If applicants and employees need to search high and low – or even if they just need to click a few extra buttons – to convert the assessment to the language of their choice, they are less likely to even start the assessment, risking a poor employee experience or high applicant drop-out rates.

### **Checklist:**

#### **What to Look for in an Assessment That Supports Multiple Languages**

- ✓ Cross-cultural Relevancy
- ✓ Translated by Humans
- ✓ Positive Experience for Everyone

# Part 3: EEOC Compliance

The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for “enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person’s race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information. It is also illegal to discriminate against a person because the person complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.”<sup>8</sup>

In other words, to ensure the talent assessment you leverage is legally D&I-friendly, it must be EEOC compliant. To determine if your talent assessment is EEOC compliant, make sure it checks off these 3 boxes.

## **Has the Assessment Proven No Discrimination Against Race, Color, Religion, Sex, or Nationality?**

When buying an assessment that is D&I-friendly, this should be one of the first considerations you make (which is why we addressed it in part one). For an assessment to be EEOC-compliant, it needs to be written so that someone with a ninth-grade reading level can understand it. Additionally, there should be no math questions, as these can discriminate against education level or national origin if English isn’t their first language. Replacing math questions with a series of puzzles (like Raven’s Progressive Matrices) can test problem-solving while also eliminating the risk of discrimination.

As we’ve mentioned earlier, an assessment provider’s technical manual should provide the details you need to consider whether or not an assessment has proven adverse impact on protected groups.

## **Can the Assessment Prove Job Relatedness?**

EEOC requires job assessments to prove “business necessity” and “job relatedness” of the test. That’s why a test like Myers-Briggs (MBTI) – although fun and interesting for self-reflection – is illegal to use in an employment context. When MBTI is used to screen job candidates, the hiring team will arbitrarily prioritize traits based on intuition. The hiring team may believe that a salesperson needs to be extraverted and exclude a candidate who does not receive an “E” from the MBTI assessment. Yet, our own research has found that extraversion is not always important for sales roles.<sup>9</sup>

Demonstrating the job-relatedness of a trait measured in an assessment is crucial to properly using the tool and ensuring its defensibility. A tried and true method for demonstrating job-relatedness is conducting a job analysis to link traits measured by the assessment to behaviors required for the job.<sup>10</sup>

## ❑ Was the Assessment Professionally Developed?

EEOC compliance requires that an assessment must be developed professionally. Ensuring that your talent assessment was developed by Industrial/Organizational Psychologists is one way to guarantee compliance with this EEOC requirement.

Industrial/Organizational (I/O) Psychology is the study of human behavior in the workplace. I/O Psychologists contribute to an organization's success by improving performance, motivation, team effectiveness, job satisfaction, innovation, occupational health and well-being, and more. I/O Psychologists improve hiring, training, and management by studying worker behavior, evaluating companies, and conducting leadership training. I/O Psychology is one of the 15 recognized specialties in professional psychology in the United States.

I/O Psychology started as a practice during WWII, when lives were literally on the line. Scientists needed to develop selection methods that they knew would work to select officers and pilots, and place them into roles that were the best fit for their skills. 50+ years later, researchers in the I/O Psychology field continue to gather evidence that demonstrates which tools are the best predictors of performance.



## Checklist:

### EEOC Compliance

- ✓ Does Not Discriminate Against Race, Color, Religion, Sex, or Nationality
- ✓ Can Prove Job Relatedness
- ✓ Developed by Professionals

# Part 4: Considering AI

Both talent assessments and Artificial Intelligence (AI) are becoming increasingly ubiquitous in talent acquisition and management processes, leading to increased automation of talent assessments with AI.

The advantages are obvious – a stretched HR professional, swamped with resumes and interview scheduling while still trying to meet the needs of current employees, can turn to AI to automate things like talent assessments.

It's important to note that no two AI-driven HR tools are created equal. Last year, information leaked that Amazon tried to build an algorithmic system to analyze resumes and suggest the best hires. After Amazon trained the algorithm on 10 years of its own hiring data, the algorithm repeatedly became biased against female applicants. The word “women,” as in “women’s sports,” would cause the algorithm to rank applicants lower.<sup>11</sup>

But not all AI perpetuates bias. When Bo Cowgill at Columbia Business School studied the performance of a job-screening algorithm at a software company, the algorithm favored the “nontraditional” candidates much more than the human screeners did. Compared with the humans, the algorithm exhibited significantly less bias against candidates that were underrepresented at the company (such as those without personal referrals or degrees from prestigious universities).<sup>12</sup>

AI has the power to either advance your organization’s diversity efforts, or completely unravel them. So, when it comes to talent assessments enabled by AI, how do you differentiate between “good AI” and “bad AI?” These next 3 checkboxes will help you spot AI that perpetuates bias, and AI that mitigates it.

## Does the Assessment Augment Human Behavior, or Does it Simply Automate it?

To realize AI’s full potential in talent assessments, it’s essential to identify the difference between *automation* and *augmentation*.

AI with the objective of automation means it is simply automating human decision-making. For example, if recruiters are more likely to shortlist resumes with male names, the AI will do the same.

AI with the objective of *augmentation* helps humans do tasks that are either beyond human cognition and/or inefficient for humans to do.<sup>13</sup> In other words, it’s AI that’s smarter. AI that prioritizes augmentation over automation is often referred to as Expert Automation & Augmentation Software (EAAS).<sup>14</sup>

Get a “look under the hood” and ask how the assessment vendor’s AI is taught. If it’s trained

to make choices the same way humans would – i.e., *automation* – this has the potential to perpetuate a flawed system. Amazon’s failed hiring algorithm is one example of this automation going horribly wrong.

## □ **Is the AI Trained with High Quality Data Inputs?**

To wholly understand if an AI tool’s objective is to automate or augment human decision-making, it all comes down to the data inputs. Does the AI learn from inputs that have poor predictability and high bias? Or does the AI learn from selection methods proven to predict success?

To truly gain the advantages of AI, talent assessment AI should be trained by the expertise of Industrial/Organizational Psychologists. As mentioned previously, I/O Psychologists have dedicated decades of research to identifying more predictive and objective talent selection methods, like problem-solving ability, social intelligence, and personality.

## □ **Does the AI Training Process Incorporate Human Intervention?**

When buying a talent assessment that is augmented with AI, you should also be on the lookout for “black box” AI – in other words, the algorithm’s output is trusted without “looking under the hood” to understand how the AI came to a particular conclusion.

Even if AI has been trained with high quality data that has been determined to represent a desired outcome, there should still be care taken to investigate the algorithm once it has been trained. This is to ensure that the algorithm is not only making accurate predictions, but also to ensure that it’s not making predictions that could have unintended consequences.

Ultimately, human input is necessary for augmented AI to succeed. AI that incorporates human oversight (called human-in-the-loop machine learning) is the best way to avoid “black box” AI that makes decisions without traceable explanation or reasoning.<sup>15</sup>

Talent assessment AI should be trained by a diverse group to determine AI objectives and outcomes. This can help program an AI algorithm to ask the right questions and make the best judgement calls and decisions, which pays off in more nuanced insights.

### **Checklist:**

#### **Considering AI**

- ✓ Augments Human Behavior
- ✓ Trained with High Quality Data
- ✓ Incorporates Human Intervention

# Buying a D&I-Friendly Assessment Checklist Summary

- Measures Talents, Not Skills and Knowledge
- Accounts for Varying Types of Ability
- Has Proven No Adverse Impact on Protected Groups
- Measures Cross-culturally Relevant Data
- Translated by Humans
- Provides a Positive Experience for Everyone
- Does Not Discriminate Against Race, Color, Religion, Sex, or Nationality
- Can Prove Job Relatedness
- Developed by Professionals
- Augments Human Behavior
- Trained with High Quality Data
- Incorporates Human Intervention

# Conclusion

The path to designing your talent acquisition and talent management processes for diversity and inclusion is not an easy one, that's for sure. Once you start noticing all the ways bias can creep into talent decisions, the task to make your organization's decision-making processes optimized for D&I can feel overwhelming. Thankfully, there are software innovations, such as online talent assessments (like Plum), that can help. Being intentional and asking the right questions before purchasing an assessment can make all the difference.

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